SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF EDUCATION AND DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO CONVENE A WORKING GROUP TO EVALUATE THE LICENSING OF PRIVATE TRADE, VOCATIONAL, AND TECHNICAL SCHOOLS.

WHEREAS, licensure of private trade, vocational, and technical schools in the State of Hawaii has been administered by the Department of Education since 1939, generally, and since 1996, specifically pursuant to Act 89, Session Laws of Hawaii 1996, as amended; and

WHEREAS, section 302A-425, Hawaii Revised Statutes, requires all private trade, vocational, and technical schools be licensed by the Department of Education; and

WHEREAS, a number of currently licensed private trade, vocational, or technical schools in the State of Hawaii require a form of state licensure in order for students to be eligible for receipt of federal financial aid or to participate in other types of federal educational assistance; and

WHEREAS, section 302A-425, Hawaii Revised Statutes, was amended by Act 57, Session Laws of Hawaii 1998, to clarify that the purpose of the licensing law is to protect consumers against false, deceptive, misleading, or unfair practices and to ensure adequate educational quality at private trade, vocational, and technical schools; and

WHEREAS the Auditor's 2002 report on the licensing of private trade, vocational, and technical schools stated that when section 302A-425, Hawaii Revised Statutes, was amended by Act 57, Session Laws of Hawaii 1998, to clarify its purpose, the clarification shifted the emphasis of the licensing law to consumer protection and brought into question the Department of

Education's administration of the licensure of private trade, vocational, and technical schools; and

WHEREAS, the Department of Education's primary responsibility is educating students in kindergarten through twelfth grade; and

WHEREAS, the Department of Education is unable to effectively administer the licensure of private trade, vocational, and technical schools due to its lack of understanding and expertise regarding the specialized curricula offered at these schools and lack of experience in providing post-secondary education and overseeing post-secondary institutions; and

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WHEREAS, the Department of Commerce and Consumer Affairs' primary responsibility is to protect consumers and the Department has experience in the licensure of professions and businesses; and

WHEREAS, a number of trades and vocations now receive state licensure for business operations through the Department of Commerce and Consumer Affairs; and

WHEREAS, the possible impact on existing schools and students that would result from the establishment of alternative licensing program structures for the various private trade, vocational, and technical schools in the State requires further consideration, including any potential fee increases from changes to the Department of Education's long-standing licensing fee structure that would result from a program restructuring; and

WHEREAS, the Legislature is committed to improving the licensure process for private trade, vocational, and technical schools in the State of Hawaii, which may include the establishment of alternative licensure structures or models; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-eighth Legislature of the State of Hawaii, Regular Session of 2015, the House of Representatives concurring, that the Department of

Education and Department of Commerce and Consumer Affairs, in collaboration with existing licensed private trade, vocational, and technical schools in the State of Hawaii, are requested to convene a working group to evaluate and review the State's current licensing program for private trade, vocational, and technical schools established pursuant to Act 89, Session Laws of Hawaii 1996, as amended, and to consider alternative licensing program structures or models that are in the best interest of private trade, vocational, and technical schools and for students in the State of Hawaii; and

BE IT FURTHER RESOLVED that the working group consider licensure procedures that protect consumers from false, deceptive, misleading, and unfair practices at private trade, vocational, and technical schools and ensure adequate educational quality at these schools; and

BE IT FURTHER RESOLVED that the working group examine potential impacts to private trade, vocational, and technical schools and their students resulting from changes in fees or related licensing costs associated with a new licensing system; and

BE IT FURTHER RESOLVED that the working group include interested stakeholders in the working group's discussions; and

BE IT FURTHER RESOLVED that the Department of Commerce and Consumer Affairs and the Department of Education submit a report of their findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, Superintendent of Education, Chairperson of the Board of Education, Director of Commerce and Consumer Affairs, and Auditor.